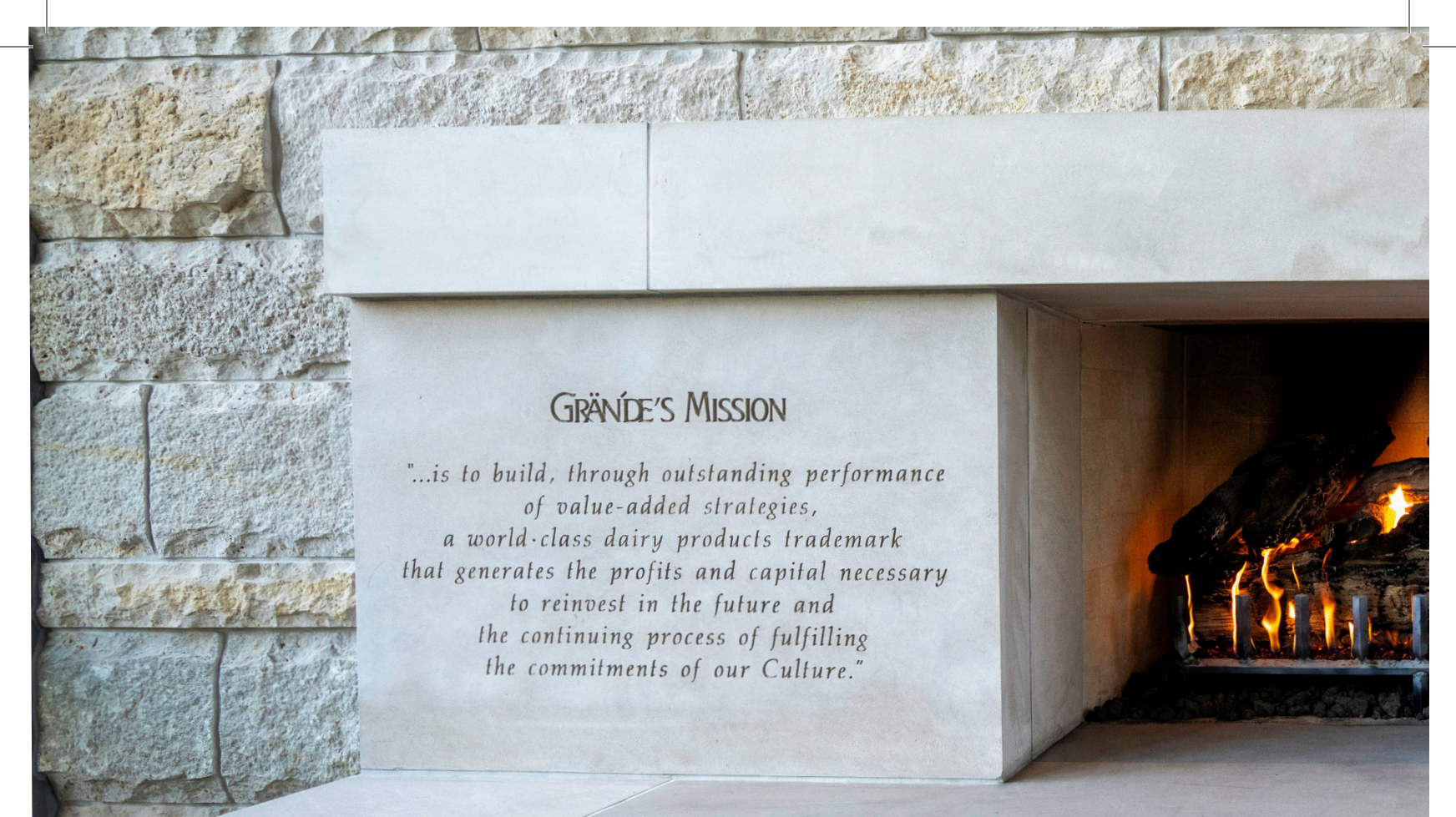




GRANDE®

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**SOCIAL  
RESPONSIBILITY  
REPORT  
2022**



## GRANDE'S MISSION

*"...is to build, through outstanding performance of value-added strategies, a world-class dairy products trademark that generates the profits and capital necessary to reinvest in the future and the continuing process of fulfilling the commitments of our Culture."*

## A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER:

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The "fulfillment of a purpose greater than ourselves"—the most profound mandate of Grande's Culture Statement. It inspires each member of our extended Grande family to see beyond the impact of our individual achievements and challenges us to work in partnership to influence and improve the world beyond our walls. Our Mission, and the daily work that advances it, drives our constant pursuit to produce Trademark cheese and specialty custom whey ingredients—it is our "why." However, it is the spirit and intent of our Culture that defines how we go about it. Grande's Social Responsibility commitment is an extension of our pursuit for purpose-filled work. Within our four pillars—Business Sustainability, Associate Excellence, Community Involvement and Environmental Awareness—we've outlined and advanced initiatives that support our industry, our Associates, our communities, and our environment.

It begins with a solid foundation—a business built on the celebration of rich heritage and tradition, alongside a commitment to continuous improvement, innovation, and the ongoing advancement of our Trademark products. This focus is essential, as the advancement and sustainability of our business allows us to meet the commitments of our other pillars. We are deeply committed to our dedicated Associates—their growth and development, financial security, and the pride they



feel for their individual contributions to our shared success. Our longstanding partnerships within the communities we live and work is a great source of pride for our Associates. Our commitments extend far beyond financial support and are also focused on collaboration and the advancement of the quality of life of our Associates and fellow community members. And lastly, but certainly not least, our commitments to environmental sustainability are constantly evolving to keep and surpass pace with emerging conservation practices from farm-to-fork.

The statement etched in stone in our company headquarters says it best; "while we may not be able to change the world, we can change the world around us." We invite you to explore the Grande Social Responsibility Report and look forward to continuing this journey with you as we influence and lead positive change for people and the planet.

Sincerely,

Todd H. Koss



GRANDE  
**SOCIAL  
RESPONSIBILITY  
STATEMENT:**

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Leveraging Grande’s longstanding Mission and Culture objectives, to nurture and support a holistically sustainable business model that positively impacts the world around us, thus continuing to achieve our most profound culture commitment...the fulfillment of a purpose greater than ourselves.

GRANDE  
**SOCIAL  
RESPONSIBILITY  
REPORT:**

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We began formally reporting on our social responsibility efforts in 2013 and while many things have changed since that time, our dedication to fulfilling the commitments of our Mission and Culture has not. The constant transformation of sustainability practices, global competition for talent, and navigation of a world pandemic serve as a constant reminder that our work around sustainability must never cease. The following pages are a reflection and celebration of our work over the past several years and sets the stage for continued strategic focus and advancement of key priorities—thank you for walking this journey in partnership.

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PILLAR ONE:

## **BUSINESS SUSTAINABILITY**

*"A trademark that does not continually and consistently meet and exceed the expectation levels of the customer is worthless!"*

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PILLAR TWO:

## **ASSOCIATE EXCELLENCE**

*"Every Associate at Grande is absolutely essential to the building of our world-class dairy products trademark."*

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PILLAR THREE:

## **COMMUNITY INVOLVEMENT**

*"Grande has a passion for and a dedication to helping our communities."*

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PILLAR FOUR:

## **ENVIRONMENTAL AWARENESS**

*"Grande diligently works to protect the land, water, and air in the communities in which we operate."*





PILLAR ONE:

# BUSINESS SUSTAINABILITY

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The strength and vitality of the Grande brand and our Trademark products have been years in the making.

Since 1941, our drive to fulfill the commitments of our Mission and Culture ensures that we are constantly progressing; continuously learning from our past and innovating for the future. We recognize that this constant evolution is essential for our partners from farm-to-fork. From our Producers who are continually finding new ways to grow and sustain the dairy industry, to our Custom Ingredients Group Customers seeking alternative, value-added growth strategies, to our Operators continuously striving to deliver the perfect “pie,” we recognize the intersections and interconnections of our collective success.

This synchronous relationship is what drives all Grande Associates and we welcome the opportunity to partner with Producers, Customers, and Operators. Our business also continues to innovate while meeting and exceeding the Trademark excellence our stakeholders have come to expect. ■

# FOODSERVICE

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**Grande takes great pride in producing all-natural dairy products of the highest quality to help our Operators consistently differentiate their businesses and enjoy long-term, sustainable success.**

It all starts with the finest quality milk, sourced exclusively from dedicated Grande Producers... key to consistently delivering Trademark quality cheese to our customers. We follow artisan cheesemaking techniques passed down through generations and perfected with the latest technology to provide traditional, authentic Italian cheeses for our independent pizzeria and Italian restaurant Operators. We believe that the best experiences and successes are those shared with others, and our commitment has remained the same since our humble beginnings—to help Operators succeed, grow, and create food with personal passion. We know that in the end, their success leads to our success.

Grande not only provides the highest quality Italian cheeses, but works closely with our Operators every step of the way to ensure their success. Our dedicated sales and marketing teams provide ongoing support in the form of industry insights, local market knowledge, and valuable market support.



Our sales Associates are also consultants to our Operators, delivering relevant business knowledge and trends to help ensure their long-term success. We work closely with our distributors to help mutually grow our business and the success of the independent pizza operator.

Our steadfast support of independently-owned shops ensures that they are equipped with the tools and resources necessary to elevate their brand presence and distinguish the unique value of small shops vs. large chains. Therefore, in addition to traditional solutions such as merchandising materials, menus, and direct mail pieces, we now also support Operators with website design, digital marketing, video, social media content, and more. We have and will remain the “Advocate of the Independent Pizzeria”. ■





***In response to the pandemic in 2020, Grande launched the Grande Operator Support Program, providing much needed support to an industry greatly impacted by community closures and dining restrictions.***

The program consisted of different toolkits and campaigns that were provided at no cost to not only Grande Operators, but to anyone within the restaurant industry. These toolkits were made up of best practices for curbside pick-up and delivery, customizable signage, and even social media posts that restaurants could use to help strengthen and shift their business.

The resiliency and commitment of these passionate restaurateurs inspired us to do even more, and as a result, we introduced and launched the Greater Purpose Program. This program provided financial contributions to independent Operators that reflected a portion

of their purchases. Knowing that the foodservice industry was impacted in ways we never knew possible, we were extremely proud that over 6,000 independent shops registered for the Greater Purpose Program. Our Operators were welcome to use these funds as they chose, and we were humbled by the number who decided to donate this money back into their own communities. Some used the contribution to support their employees, while others began donating pizzas to other frontline workers and community members in need. ■

**FOR A GLIMPSE INTO  
GRANDE'S TRADEMARK  
CHEESES, VISIT [WWW.  
GRANDECHEESE.COM/  
PRODUCTS/](http://WWW.GRANDECHEESE.COM/PRODUCTS/)**



# CUSTOM INGREDIENTS GROUP

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**For our Custom Ingredients Group, business success is driven by providing the highest value in the food industry through creative, functional and nutritional ingredient solutions.**

Our focus and commitment to our global customer base remains helping them identify creative ways to deliver value to consumers or improve the overall quality of their products.

Our innovative products are used throughout the food industry to replace cream and/or cheese, enhance nutrition, and improve texture and flavor. In 2020, we launched Grande Gusto®, designed to replace cheese and reduce sodium and fat in sauces/soups. We continue to use research to identify new ways to enhance the ever-changing consumer requirements of flavor, nutrition, and texture of food products consumed daily across the globe.

Grande works hard to ensure we are a technical expert in the food manufacturing industry—providing customers with industry trends, customized solutions, and consumer analytics. By doing so, we become an extension of their business and a resource to support their evolving needs. ■





PILLAR ONE: BUSINESS SUSTAINABILITY



TO LEARN MORE ABOUT GRANDE'S FUNCTIONAL WHEY INGREDIENTS, VISIT [WWW.GRANDECIG.COM/OUR-PRODUCTS](http://WWW.GRANDECIG.COM/OUR-PRODUCTS)







# PRODUCER PARTNERS

**Our passion for Trademark excellence through our entire supply chain starts with our Grande Producer dairies.**

We strive to be the preferred market of innovative dairies, with both an attitude and passion to be considered among the best Producers in the nation, supplying the greatest quality of milk. But the passion doesn't stop there. Our Producers see great value in our partnership—from environmental stewardship to animal welfare and everything in between—they are among the most committed and innovative in the market.



Since 2014, our farms have been part of the Farmers Assuring Responsible Management Animal Care (FARM-AC) program. In 2019, Grande developed an additional program, Producers Assuring Consumers of Excellence (PACE). The PACE program areas of focus include:

- Soil and water conservation practices
- Energy conservation
- Recycling
- Animal care and wellness
- Food safety
- Employee management and safety
- Business sustainability and succession plans
- Emergency preparedness plans

Additionally, in 2020 Grande implemented the FARM Environmental Stewardship (FARM-ES) program with Producers.

The success of our Operators and Customers is only possible through the success of our Producers, and vice versa. As such, we see our partnership with our Producers as a means to strengthen all aspects of our business. Therefore, in addition to the items mentioned previously, Grande also supports or is engaged in the following:

## MILK MANAGEMENT ASSISTANCE PROGRAM (MMAP®)

*Led by Dr. Paul Rapnicki, the team assists Producers to optimize milk quality and safety, while ensuring animal comfort and well-being. Dr. Rapnicki uses his career experience and his wide range of industry contacts to support each Producer's drive for continuous improvement.*

## BILINGUAL SUPPORT

*Grande Associates provide training and translation services for Producers to enhance their ability to build strong teams, improve communication, and strengthen relationships between the Producer, their employees, and Grande.*

## RISK MANAGEMENT PROGRAM

*Grande offers multiple milk price hedging strategies that allow our Producers to manage their milk price risk.*

## INDUSTRY PARTNERSHIP

*Grande works closely with both state and national industry partners to ensure that we understand the challenges and opportunities facing Producers and the industry. These partners include: Dairy Business Association, Farmers for Sustainable Food, Wisconsin Cheese Makers Association, Dairy Farmers of Wisconsin, International Dairy Foods Association, and Professional Dairy Producers of Wisconsin. ■*

# CAPITAL ENHANCEMENTS

Grande continues to make the capital investments necessary to consistently deliver on our Mission, Culture, and in turn, the Trademark excellence promised to our customers. Investing in the continued growth and development of our Enterprise is essential and ensures we can continue to meet the current and future needs of our partners. Two major projects have been completed that support these commitments, including:



20%

**NEW CIP SYSTEM  
REDUCES ANNUAL  
WATER CONSUMPTION  
BY 20%**



10%

**CHEMICAL DOSING SYSTEM  
REDUCES ANNUAL  
CHEMICAL USE BY 10%**

## JUDA CHEESE EXPANSION

One of the largest capital projects in our company's history, the expansion of our cheese production facility in Juda, Wisconsin, increased production capacity by 50% in order to support the growing demand from our customers. In addition, we maximized innovation and technology to improve overall capabilities. The project also created opportunities to re-examine sustainability in our manufacturing process, including:

### ENERGY USAGE

- Installation of thermal energy transfer system that now provides "free" thermal energy to heat whey products.
- Upgraded steam system for high temperature, short-time pasteurizers to reduce energy usage.
- Integration of highly-efficient ammonia system.
- Installation of highly-efficient cooling system for brine.
- Addition of an anaerobic digester that transforms waste into energy used to power our whey plant.

### WATER CONSUMPTION

- Integration of several automated Clean-In-Place (CIP) systems.
- One implementation that provided the most water savings was the CIP system for our chilling operation—reducing annual water consumption by 20%.

### CHEMICAL USAGE

- Integration of chemical dosing system that ensured a minimal, yet effective amount of chemicals required for cleaning processes in the plant—reducing annual chemical use by 10%.



## ENTERPRISE RESOURCE PLANNING

Beginning in 2017, Grande set out on a journey to enable a transformation of operations, supply chain, and internal office services through the implementation of a leading class Enterprise Resource Planning (ERP) system. The business transformation focused on five key areas—standardizing processes across the organization, modernizing the technology landscape, bolstering in-house knowledge and strengthening internal skillsets, enabling greater insights to inform decision making, and enhancing systematic validation for more robust audit capabilities. The project resulted in enhancements and improvements including:

### IMPROVED SUSTAINABILITY PRACTICES

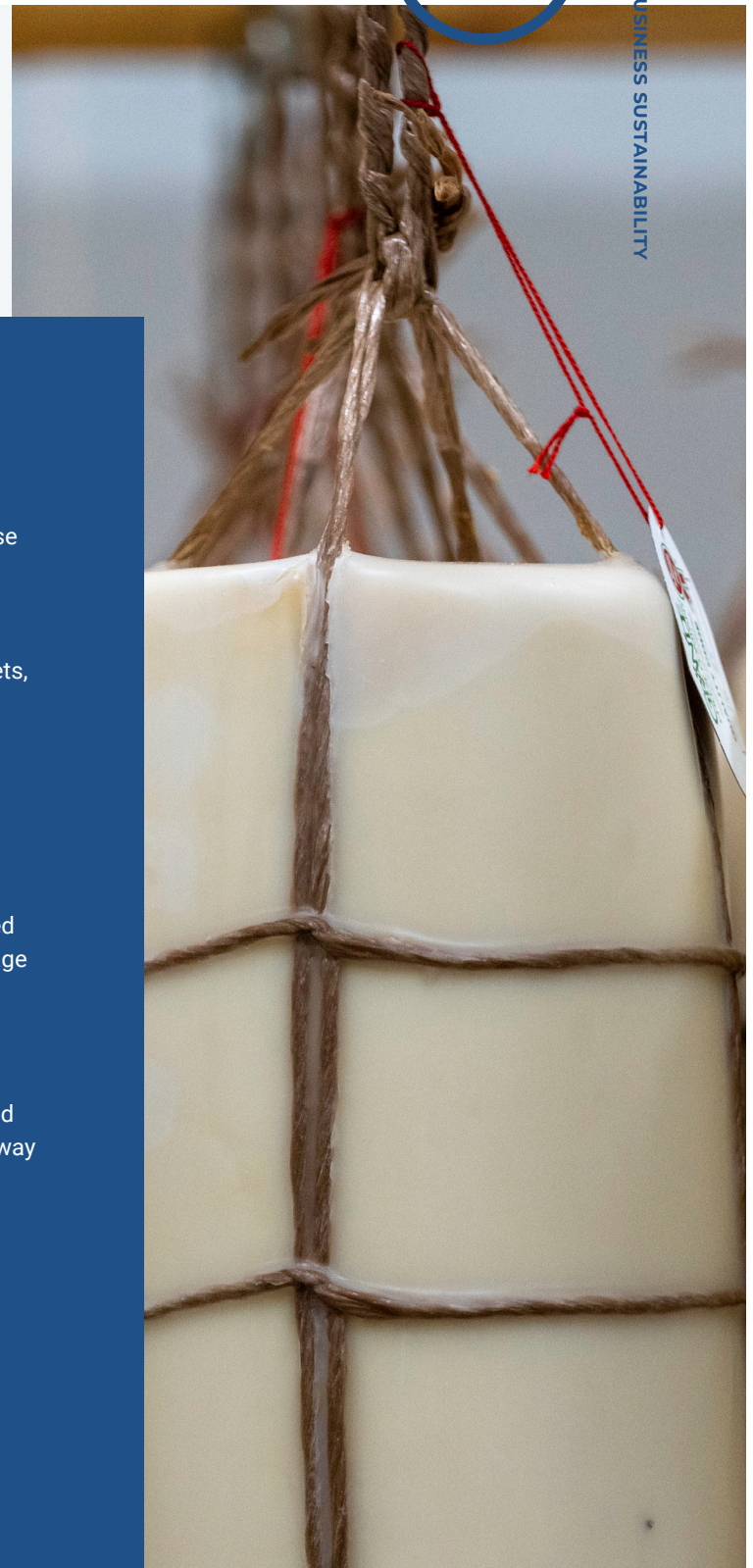
Reduction in disposable resources due to transition to automated processes (i.e., paper consumption) and reduction in energy usage due to transition from hardware to cloud-based solutions.

### PROCESS EFFICIENCIES

System automation has allowed for reallocation of resources and time to areas of great impact and value (i.e., transition of time away from manual comparison of data to other continuous process improvement opportunities).

### INCREASED COLLABORATION

Integrated system allows for greater idea sharing and problem solving across the Enterprise. ■









# FOOD SAFETY AND QUALITY

**Our product quality and value-added services that our Trademark represents, must meet “world-class” standards.**

Our vertically integrated food safety and quality systems are designed to achieve and sustain the highest levels of quality excellence. From farm-to-fork, these processes meet regulatory requirements and globally recognized food safety standards including Safe Quality Food (SQF).

Each facility adheres to extensive food safety plans, which comply with the Food Safety Modernization Act (FSMA), strict food safety regulations set forth by the U.S. Food and Drug Administration (FDA), and facility and equipment guidance from the U.S. Department of Agriculture (USDA). To address food safety at all stages of procurement, processing and delivery, our food safety program is integrated with our quality programs. Rigorous hazard analysis is conducted on ingredients, packaging, manufacturing processes, and product distribution to evaluate and minimize risk in all categories of hazards (biological, chemical, and physical).

Our comprehensive approach covers areas such as facility and equipment sanitary design and installation; an aggressive pathogen environmental monitoring program for verification of sanitation controls; substantial product and ingredient microbiological testing; and ongoing Associate education on equipment design, sanitation, and good hygienic practices and protocols. The production Associate helps guarantee zero defects to ensure that the integrity of our products is maintained. Additionally, with the implementation of the new ERP system, which focuses on product flows, labeling, record keeping, data collection, and other protocols, our current practices substantially exceed the industry’s guidelines for product traceability. ■

## GRANDE PARTNERSHIPS







PILLAR TWO:

# ASSOCIATE EXCELLENCE

Our Associates are the heart of our business. The workplace lifecycle of each Associate is unique and it is our intention to create an environment where Associates have the resources and support in place to find success—from their first day on the job through retirement.

Fully achieving and delivering on the Mission and Culture of Grande is only possible if we work in partnership with our Associates, continually investing in their personal and professional growth and well-being. *The Journey* documents,

further defined and explained in this section, are the guiding documents that help define the unique characteristics, values, and guiding principles that unite us in our quest for excellence. Each Associate is part of our Grande family—past, present and future! ■

**Associate engagement is essential to our Mission and Culture, and Grande actively invests in initiatives that support our Associates' connection to the Enterprise and to each other. These initiatives span the Associate lifecycle from start to finish and collectively represent a deep and abiding commitment to each Associate's job and career satisfaction.**

#### ASSOCIATES STRIVING FOR EXCELLENCE

In 2018, Grande updated the Associates Striving for Excellence (ASE) program. This program, originally introduced in 1984, provides a structured approach to onboarding and integrating as a new Grande Associate. The updates to the program included lengthening the total time of program completion from six months to two years and introducing new formal training elements along with deep business and cultural experiences. The intention of the ASE program is to not only introduce Associates to the history and heritage of Grande, but also to carve out meaningful time for them to fully understand and embrace the spirit and intent of our Mission and Culture.

#### COURSES FOR THE REVAMPED PROGRAM INCLUDE:

- Grande Heritage: Pride and Passion for our History and Traditions
- Spirit and Intent: A Deeper Reflection into Grande's Mission and Culture Statements
- The Journey: An Introduction to the Mission, Culture and Enterprise Charter of Grande Cheese Company
- Trademark Excellence in Grande Products & Processes

# 85<sup>TH</sup>

GRANDE CONSISTENTLY SCORES ABOVE THE 85TH PERCENTILE IN OVERALL COMPANY FAVORABILITY AS COMPARED TO MANUFACTURING BENCHMARK COMPANIES.

AS CAPTURED IN OUR ANNUAL CULTURE SURVEY

#### GRANDE ASSOCIATE LIFECYCLE



ATTRACTION



RECRUITING



ONBOARDING



PERFORMANCE



DEVELOPMENT



RETENTION



TRANSITION



In addition, during this two year period, Associates are paired with a mentor/partner called a Compagno (Italian for “companion” or “friend”). The Compagno is an important relationship for new Associates—they support the onboarding experience, transfer knowledge, help them assimilate to Grande’s Culture, introduce them to others, and help the new Associate feel welcome as a new member of our extended Grande family. As Grande continues to grow, this expanded ASE experience helps new Associates integrate into the Enterprise more effectively and bonds them to the Company as an integral part of the continuing Grande story.

### THE JOURNEY

In late 2019, every Associate received a copy of *The Journey* book set; a finely packaged, hand-bound publication that includes two special books: “The Spirit and Intent of Our Mission & Culture” and “The Enterprise Charter.”

“The Spirit and Intent of our Mission and Culture,” originally written in 1994 by Grande’s Chairman, was written to bring a shared understanding of the common purpose and shared values of Grande. The piece defines our organization’s character, vision, goals, and objectives—highlighting the rights and expectations of all Associates. It is with great pride that this book and the words within are shared broadly throughout Grande among our Associates.

“The Enterprise Charter” was co-authored over the course of 2018-2019 by our CEO in partnership with our Chairman. This document differs in that it outlines and reinforces the parameters of our decision-making architecture and helps to form our long-term vision for Grande. This document defines “who we are,” “who we are not,” and “what we strive to be”—essentially painting the landscape that is uniquely Grande.

Together, these documents represent the continuation of our shared journey—it isn’t a redefinition of who we are, but rather reinforces what is already in place and important to Grande. Associates continue to keep these documents alive—using them to help shape our conversations, support our decisions, frame our interactions, and continue the legacy that is Grande. ■



## DEVELOPMENT & TRAINING

**Grande is deeply committed to ongoing Associate development and career growth within our Company. We have embraced a more formal approach and program that allows an individualized approach to development.**

### FORMALIZED TRAINING

Significant focus has been given to training and development within our manufacturing facilities. In 2018, two Operations Training Specialists joined Grande to provide dedicated training support in our two largest facilities. An Operations Training Advisory Council was formed in both locations to help drive strategic decisions related to training needs within the facilities. While Brownsville and Juda were the first to launch, the Operations Training Specialists have since expanded the initiative to include all facilities. Additionally, we've developed partnerships with our local technical colleges to deliver specialized training, including welding bootcamps (based on Grande equipment and standard operating procedures) and Six Sigma Green Belt training. These courses are open to all Associates, regardless of experience level.

For Associates who work in highly technical production areas, Grande has developed special programming,



consisting of both classroom and hands-on experience to prepare Associates for State exams where they will obtain required certificates and licenses. The training is designed by internal subject matter experts and provides a higher success rate of passed exams.

***Additionally, Grande offers a series of courses available to all Associates that are promoted for their personal growth and development including, but not limited to: Emotional Intelligence, Self-Leadership, Meeting Management, Time Management, Leading Change, Lean 101, and Building Trust.***

#### TALENT DEVELOPMENT FROM WITHIN

We recognize that one of the greatest opportunities to grow talent is to foster new and enhanced skills and personal development within our own Associates. Our approach is multi-faceted and takes on a customized and personalized approach—meeting Associates where they're at on their personal journey.

Development Planning for Associates was created to provide basic career planning tools and a formal way of identifying key development needs for Associates to achieve their career goals. Participants learn how to create a development plan that supports success in their current role and potential movement toward future positions. While first introduced to Salaried and Salaried Non-Exempt Associates, it has since been piloted with Hourly Associates. The Operations Training Specialists continue to partner with Associates and leadership to develop robust development plans. Our goal is that all Grande Associates who have been with Grande for a year or more will have a formal professional development plan in place.

Another way we are developing Associates from within is through the Corporate Apprenticeship Program where interested Associates can gain maintenance experience while rotating between facilities. While the program was initially designed to help build a talent pipeline for maintenance openings across the Enterprise, the personal growth and fulfillment felt by our Associates as they travel through the program has been the greatest reward.

#### DEVELOPING LEADERS OF TOMORROW

We recognize that developing a talent pipeline is necessary for the future of our industry and our Company. Significant to this strategy, Grande has developed a robust Internship Program, welcoming as many as 20 interns to our Company each summer. Not only are students working on specialized projects within their area of study, but our program was developed to support their personal growth and development as well, including sessions on resume building, professional networking, presentation development and delivery, and more. Our interns have shared that our program is one of the most enriching summer experiences—a combination of personal growth, alongside community engagement and service, and networking among peers and other professionals. Developing early in career talent is not only our passion—it's fun! ■







# FOSTERING AND SUPPORTING LEADERSHIP

## Grande places great value in developing and supporting leaders so they can best support their teams.

The Journey documents state, "Leadership is a privilege that has both responsibilities and rewards. In this case, the responsibility of leading Associates through the process of Mission involvement has its reward in the knowledge that beyond the call of duty, leaders may well be influential in enhancing respect for human worth and dignity." Just as we are committed to the development of all Associates, we have instituted several programs focused on the development of leaders throughout our organization.

The *New Manager Immersion Program*, which began in 2018, was created to support leaders new to managing people within Grande. This is an important distinction, because even for those who have led Associates before, this program ensures that we level-set all managers with the same principles and values important to leadership within Grande. In addition to this program, we also have four core programs within Grande's leadership coaching and training model, which all managers are required to complete, including: Situational Leadership, Optimizing Associate Performance, Optimizing Associate Engagement and Development, and Inside Out Coaching.

In 2019, we began setting the stage for the next layer of leadership development training with our newly designed *Front Line Leader Program*. This program is unique in that a cohort of leaders from within our manufacturing facilities participate in a 12-month long course, inclusive of a project. The highly specialized course is intended to develop the skills necessary to foster learning, empower Associates, and unleash their ability to live into the promise of our Culture, and fulfill a purpose greater than themselves.

Beyond focused leadership training, Grande seeks to create a long-term leadership culture through additional tools such as coaching and formal succession planning. In addition to the more formalized programs listed above, there are several other opportunities for Associates to receive coaching, including informal networking, regular sessions with other Associates as part of development plans, and formal mentoring assignments. Our succession planning process places great value on the stewardship and support of our own Associates. ■

THE JOURNEY,  
ENTERPRISE CHARTER

“Grande's sustainability depends upon an unrelenting commitment to the selection and development of leaders who:

- Bring clarity to the Enterprise vision and road map, enabling each Associate to recognize their contributions to its achievement.
- Inspire each Associate on a professional and personal level.
- Develop each Associate's career and professional worth.”



## HEALTH & WELLNESS

Grande's health and wellness programs create an environment that encourages Associates and family members to live healthy lifestyles with a continued focus on prevention, education, and support.

Grande opened its first on-site Health and Wellness Centers at our Lomira and Rubicon facilities in 2014, and since that time has expanded to seven locations. The health clinics, fully staffed by SSM Healthcare medical practitioners, are available to Associates and their dependents, spouses, and domestic partners at no cost. From routine annual physicals to management of chronic conditions (including lab procedures)—our clinic usage rate continues to rise and is viewed as a valuable benefit.

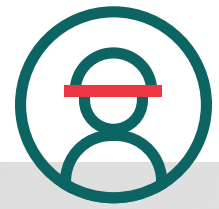
Additionally, Grande launched a new wellness partnership in 2020 with Asset Health to provide an online wellness portal for Associates and spouses/domestic partners. With a focus on overall well-being, the Asset Health portal encourages participants to participate in a variety of wellness activities throughout the year including exercise, nutrition, mental well-being, and financial wellness. Participants who reach a threshold level of points in the plan year are eligible for a discount on their medical premium for the upcoming plan year. ■



ASSOCIATES AT ALL

**8**

GRANDE FACILITIES HAVE ACCESS  
TO ONSITE CLINICS AND/OR  
FITNESS CENTERS



# ASSOCIATE SAFETY

**Grande is committed to offering a workplace free from injury or incident and empowers Associates with the knowledge and confidence needed to keep everyone safe.**

As we continue to elevate the culture of safety throughout the organization, we are committed to safe work practices, continuing Associate training, and ongoing self-analysis. Our Associates are our organization's greatest resource. To protect this resource, we instill a proactive safety culture that permeates every level of our organization.

Grande developed and implemented the Grande Observation (GO) program. Associates observe a task by their colleagues, providing feedback on what was done well, while discussing opportunities for improving the process. As a result of this real-time feedback, behaviors can be modified. Additionally, education, training, and safety department presence ensures that the behaviors are both modified and sustained. Safety training starts during new Associate orientation and continues throughout each Associate's career path. ■



## 3,000

In the first year, over 3,000 GO observations were conducted with a goal to grow to 10,000 per year

## 85%

Since project inception, 85% of manufacturing Associates have been trained in the GO Program

## 25%

25% safety incident reduction in the first year of the GO Program





## PILLAR THREE:

# COMMUNITY INVOLVEMENT

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**Perhaps the most profound mandate of our Culture Statement is the constant pursuit of fulfilling a “purpose greater than ourselves.”**

While this statement takes on many meanings, the common denominator is that our Associates are deeply committed to the communities in which we live, work, and play. Our commitment to community spans far beyond fulfilling monetary requests. While investing into communities and non-profits is important work, we also believe in the partnership necessary to bolster community growth and engagement by serving on

boards, encouraging Associates to volunteer, and opening our doors to support organizations in need. By doing so, we ensure that as Grande continues to prosper, so too will our communities. ■



## COMMUNITY IMPACT

# FOUNDATION GIVING & VOLUNTEERISM

Our primary focus in the past has been on partnering with local agencies that support our youth. However, in recent years Grande has notably increased its reach with local campaigns and initiatives that support economic development and bolster community growth.

### ARC OF FOND DU LAC

Grande provided \$75,000 to purchase two new vehicles to transport ARC participants to and from community programs. Serving over 800 families and individuals living in Fond du Lac, Dodge, and Winnebago counties, ARC empowers adults and youth with intellectual and developmental disabilities to become independent and integrated within our communities—a key aspect of this is transportation.

### ENVISION GREATER FOND DU LAC

Envision Greater Fond du Lac is our combined chamber of commerce and economic development organization in Fond du Lac, Wisconsin, home to Grande's headquarters. When the agencies merged and Envision was formed in 2017, Grande played an active role in helping to navigate this transition. Grande has since been an active supporter of their efforts including board engagement, annual sponsorship of programs, Young Professionals of Fond du Lac, and more.



Photo Credit: Envision Greater Fond du Lac



### COVID-RESPONSE FOOD DONATIONS

The pandemic presented an unexpected opportunity to forge new partnerships with food banks and soup kitchens throughout the state and region. The full impact of COVID-19 brought high unemployment and a corresponding increase in the number of people in need. Grande partnered with several agencies that used our cheese to prepare hot meals or placed our product in their food box distribution programs. These agencies included the New Community Shelter (Green Bay, WI), Milwaukee Rescue Mission (Milwaukee, WI), Second Harvest (Madison, WI) and Feeding America (WI and IL), in addition to supporting several local pantries. In total, nearly 500,000 pounds of cheese was donated to those in need.



### RUBICON PLAYGROUND

Play 4 Cade is a local non-profit organization that was started to honor seven-year-old Cade, who passed away due to a car accident. This group identified a need to replace the playground equipment at the local ballpark, which happened to be adjacent to our Rubicon facility. Grande offered \$15,000 to cover the cost of the entire structure. In addition, Associates offered their time to prepare the site for the new equipment.

### BROWNSVILLE BASEBALL FIELDS

Grande offered a \$50,000 sponsorship to support the building of a new concessions/announcer's booth at the Brownsville Baseball Complex—these fields are a centerpiece of this small rural community.



### THE DOCK SPIDERS

The Northwoods Baseball league introduced the Dock Spiders to Fond du Lac, WI, bringing family-friendly and affordable entertainment to the community. Since the team's inception, Grande has been a major partner, sponsoring both the Family Zone as well as the nightly "Run the Bases" event at the close of every home game.



# TRADITION IN PARTNERSHIP

Grande has long-standing partnerships with three agencies focused on youth development, including: Big Brothers Big Sisters of Fond du Lac, the Boys & Girls Club of Fond du Lac, and the National Make-A-Wish organization. These agencies hold special meaning to Grande Associates.

## **BIG BROTHERS BIG SISTERS (BBBS)**

BBBS services nearly 150 children in the greater Fond du Lac community by matching them with adult mentors. Grande partners with BBBS in a variety of ways, including lead sponsorship of “Big Event for Kids,” participation in the “Bowl for Kids’ Sake” event, and hosting the holiday coloring contest at our Home Office. Additionally, several Grande Associates serve as “Bigs”—perhaps the greatest value to the organization and the children they serve.

Grande Associate, Katie, with her “little”



*Several Grande Associates serve as “Bigs”—perhaps the greatest value to the organization and children they serve.*





Grande Associate, Steve, presents check to the Make-A-Wish Philadelphia, Delaware & Susquehanna Valley Chapter



### BOYS & GIRLS CLUB OF FOND DU LAC

The Boys & Girls Club of Fond du Lac provides creative, educational and fun afterschool and summer programs for youth ages 6-18. This work takes place at their center in addition to several satellite school locations throughout the city. Serving an average of 1,600 children per year, the goal of the Club is to ensure that youth are enabled to live a productive life and reach their full potential. Grande partners with the Club in several ways, including “Reach for the Stars” and “Spell for Great Futures” events, and the annual “Corporate Challenge” where teams compete to claim an annual title in the community—all in support of programming for children. ■

### MAKE-A-WISH

Each year at Grande’s annual Foodservice Sales Summit, there is an evening event that raises funds to support Make-A-Wish. Proceeds raised at this event are divided among four chapters throughout the country, and volunteer Sales Associates help those chapters grant a wish for a child in need. For over seven years, Grande has worked closely with Make-A-Wish and has granted nearly 25 wishes to children. 2020 was a special year as we had to move our event to a virtual platform in lieu of an in-person event. Despite these challenges, Grande Associates contributed over \$17,000 in funds and the Grande Foundation provided a \$20,000 match.

In 2020, Grande supported a wish to four-year old Rhett, who has had a very difficult medical journey. Rhett had a stroke at age two and was diagnosed with a nervous disorder. He suffered extensive brain damage and seizures resulting from the stroke. When Rhett is not undergoing therapy, he enjoys spending time outdoors. Because of Rhett’s medical issues and medications, his ability to go to public playgrounds was restricted. Make-A-Wish granted, through support from Grande, a personalized playset in Rhett’s backyard. The playset included a big yellow slide, a rock wall, and “safe” swings to enjoy year-round.

Grande Associates granted a Make-A-Wish to Rhett for his personalized backyard playset



Above: Grande Associate, Kelly, with her teammate for annual Spelling For Great Futures contest



# GREATER PURPOSE PROGRAM

**A GIVING PROGRAM BY ASSOCIATES, FOR ASSOCIATES**

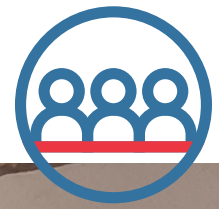
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The Greater Purpose Program was launched Enterprise-wide in 2019. Associates have an opportunity to offer \$5 from each paycheck to support fellow Associates in need throughout the year. Since its inception, the program has provided support to Associates who have experienced life challenges such as: natural disasters (flooding and house fires), critical illness for themselves or family members (cancer treatment related expenses, extended stay/therapy following a major surgery), and funeral expenses (loss of immediate family members). ■

**To date, the Greater Purpose Program has awarded over**

**\$60,000**

**to Associates in need.**



**THE GRANDE FRIENDSHIP FACILITY AND GRANDE FOUNDATION PREPARED HOT THANKSGIVING MEALS WITH THE ADAMS/FRIENDSHIP COUNTY MARKET IN 2020.**

**125\***

Grande Associates are currently connected to/volunteering with 125 service or non-profit agencies in their communities. *\*data self-reported*

**100**

Grande supports an average of 100 non-profit agencies every year.

**97%**

97% of Associates agree that "Grande is actively involved in our communities."

*(Four-year average on annual Associate Culture Survey)*



 U.S. Dairy  
**STEWARDSHIP  
COMMITMENT**  
Innovation Center for U.S. Dairy



## PILLAR FOUR:

# ENVIRONMENTAL AWARENESS

Grande sources the highest quality milk in Wisconsin to produce our Trademark cheese and whey products, so it's only fitting that we continue to preserve and protect the rich natural resources abundant in this area of our nation.

We see environmental sustainability as a critical means to reduce the overall environmental impact of our procurement, manufacturing, and distribution processes, both now and in the future. At Grande, this happens in a number of ways, but namely through:

- A shared commitment to maintaining sustainable farming practices with our Producers, farmer-led conservation groups, and other key industry sustainability leaders.
- The careful management of existing manufacturing processes and future investments.

In 2020, Grande adopted the U.S. Dairy Stewardship Commitment, reaffirming our pledge and our commitment to long-term sustainability improvement efforts. This initiative focuses on collaboration with other global leaders within the industry, as we work to collectively drive positive social, environmental, and economic improvement. Through adoption of this commitment, Grande will report on a rigorous set of standards. These standards will demonstrate a positive impact and contribution to the U.S. dairy's ability to track, aggregate, and report progress on environmental stewardship. As we continue to immerse ourselves in this journey, the development of criteria will aid in our quest to establish clear goals and objectives and measure our impact within future reports. ■

# A GRANDE SPONSORED FARMER-LED INITIATIVE

One of the most impactful ways to reduce pollutants in the dairy industry is to work in partnership with the farming community. In 2016, the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) implemented a new program focused on farmers leading farmers, providing grants to Producer-led watershed protection initiatives. The grants focus on projects that help prevent and reduce runoff from farm fields and work to increase farmer participation in these voluntary conservation efforts. Each application must come from a group of at least five farmers in the same watershed, collaborating with conservation agencies, institutions, or non-profit organizations. Since 2016, 31 projects have been funded.

Also in 2016, we began to collaborate with several of our Grande Producers who were leading these initiatives. This work resulted in Grande providing financial support to help offset the cost of conducting pilots of these new practices in anticipation of what DATCP grant funding would eventually support. Grande funded three such pilot projects including Yahara Pride, Lafayette Agriculture Stewardship Alliance (LASA), and Farmers of the Upper Sugar River.

The Yahara Pride project funded a Grande Producer

to trial a manure composting process. The process increased the usability to plants, reduced odor, and allowed covered manure to biodegrade over the winter months when landspreading of manure is not desirable. The results of this pilot project encouraged eight additional farmers to take up this practice. In 2019, this practice accounted for nearly 1.5 tons of phosphorus reduction. The Farmers of the Upper Sugar River and LASA initiated pilot projects to plant cover crops over the winter months which help minimize soil erosion when the primary crop is removed. In 2019, this practice resulted in nearly a half ton of phosphorus reduction for LASA. ■





## MILKSHED SUSTAINABILITY PILOT PROJECT

**In 2020, Grande entered a unique partnership with both Nestle and Farmers for Sustainable Food, launching a program that supports the environmental sustainability commitments of Grande.**

The pilot program is led by the Lafayette Agriculture Stewardship Alliance (LASA); a farmer-led, nonprofit organization committed to faithful and sustainable stewardship of our natural resources.

The “milkshed” project was launched in the summer of 2020 and engaged farmers, processors such as Grande, and supporting conservation advocates to document and quantify sustainability efforts from farm to end-user. This framework will help LASA and other stakeholders understand the impacts of conservation practices and communicate them in a common language to other farmers, customers, the local community, the agricultural supply chain, and regulatory agencies.



## GRANDE PRODUCER PARTNERSHIPS

**Farmers for Sustainable Food, LASA, Grande, and all project partners recognize the need for farmers to better understand modern conservation techniques that enhance the environment and production on the farm. This project consists of both financial and environmental components.**

### PARTNERS



### FINANCE AND ECONOMICS

The agricultural industry often faces challenging financial and economic conditions. Amidst these challenges, there are ongoing pressures to produce improved environmental outcomes. Research indicates that the conservation practices which lead to improved environmental outcomes may also have positive impacts on farm finances and economics. These dual aspects are supported by the Farm Business Management team at Southwest Wisconsin Technical College. The college is helping three dairy farms evaluate their financials related to conservation practices over time to understand and realize the long-term benefits of conservation. Conservation has the potential to increase farm profits through reduced inputs, reduced labor, improved farm resiliency, increased yields, and improved soil health. The information obtained from the analysis can then help the farmer determine which types of practices give the largest return on their investment.

### ENVIRONMENTAL

#### ON-FARM SUSTAINABILITY

In general, sustainability programs seek to maintain or increase farm productivity while continuously improving environmental outcomes. On-farm metrics are collected that relate to current and future environmental outcomes (e.g. greenhouse gas emissions and soil erosion).

#### LOCAL RESOURCES

Farming communities have local resource issues that typically are not addressed by sustainability programs. These issues include drinking water supplies, recreational lakes, adequate drainage, or permit requirements for farms. The assessment will explore the condition of local environmental resources that may be tied to government and private organization programs that evaluate surface water, groundwater, and fish and wildlife habitats.





The FARM Environmental Stewardship (FARM-ES) module is a catalyst to discuss environmental goals at all levels of the dairy supply chain. Supported with a complete Life Cycle Assessment (LCA), FARM-ES is a prime Scope 3 (supply chain) greenhouse gas (GHG) reporting tool. It is recognized as the mechanism for on-farm emissions accounting for supply chain stakeholders and is endorsed by the Global Reporting Initiative. Dairy customers need Scope 3 GHG emissions data, and FARM-ES provides a solution to this need and streamlines the reporting process to help tell the story of dairy. The online tool, combined with the program's resources, help farms continuously improve in ways that make sense to their business. FARM-ES helps to demonstrate dairy's environmental leadership and supports the measurement of progress toward meeting industry-wide goals while making assumptions about field-level practices using publicly available data. FARM-ES is an excellent complement to *Field to Market* because it provides more granularity for dairy farms that produce their own feed. When used together, FARM-ES and the *Field to Market* platform give a holistic view of a dairy farm's environmental footprint.

In 2022, we will have collected enough data to fully examine the impact of these sustainability efforts, as well as to share findings across the industry and with farmer-led groups for future adoption. Year one data suggests some significant findings.

The program has the potential to positively impact sustainability practices not only in Wisconsin but beyond. Other key stakeholders include: The Nature Conservancy, DATCP, Lafayette Land Conservation Department, Ross Soil Service, Southwest Wisconsin Technical College, GPS Dairy Consulting, UW-Madison SnapPlus, and Dairy Farmers of Wisconsin. Houston Engineering Inc. has been engaged as the consulting firm for the project. ■

**THE PILOT PROJECT WAS AWARDED THE INNOVATION CENTER'S 2021 U.S. DAIRY SUSTAINABILITY AWARD: OUTSTANDING SUPPLY CHAIN COLLABORATION.**



**U.S. Dairy Sustainability  
Award Winner**  
Innovation Center for U.S. Dairy®

# MANUFACTURING PROCESSES



**SIX**

The number of ways Grande finds to minimize water usage in our plants: Reduce, Renew, Reuse, Recycle, Reclaim, and Return.

**42,000,000**

From a comprehensive site assessment of water reduction opportunities at our 34-acre Juda facility, twenty one projects have been completed or are in the process of implementation that will save over 42,000,000 gallons of water annually.



# WATER USAGE

Grande's production plants are based in areas with an abundant water supply and it is imperative we protect these critical resources and support opportunities to reduce water consumption.

In 2017, Grande applied for Tech Connect with National Aeronautics and Space Administration (NASA) through the Water Council and Wisconsin Manufacturing Extension Partnership (WMEP). Tech Connect is a NASA outreach program focused on moving NASA-developed technologies to the public, and works with organizations in the Midwest to support in-house technical issues related to water consumption. Subject matter experts at the NASA Glenn Research Center provide a unique perspective in helping with these challenges, with the goal of developing new jobs in the region.

Grande was one of four companies selected to participate in the project and attend an in-person event in March 2018, at the NASA Research Center in Cleveland, Ohio. The goal was to learn about and apply NASA technology that would support Grande's journey to focus on waste water reduction. It provided Grande unique access to the Water Council and the National Laboratory System.

The work with NASA was a springboard for new water reduction opportunities across Grande. In 2019 and 2020, we performed a thorough assessment of water reduction opportunities at two of our largest facilities. This initiative involved both external subject matter experts from the water/water care industry and a team of internal experts. This work resulted in the development of a comprehensive list of water reduction opportunities and associated costs to execute, many of which have been completed, resulting in reduced well water withdrawal from the ground and less waste water to be treated. ■



THE WATER COUNCIL



# WASTE WATER

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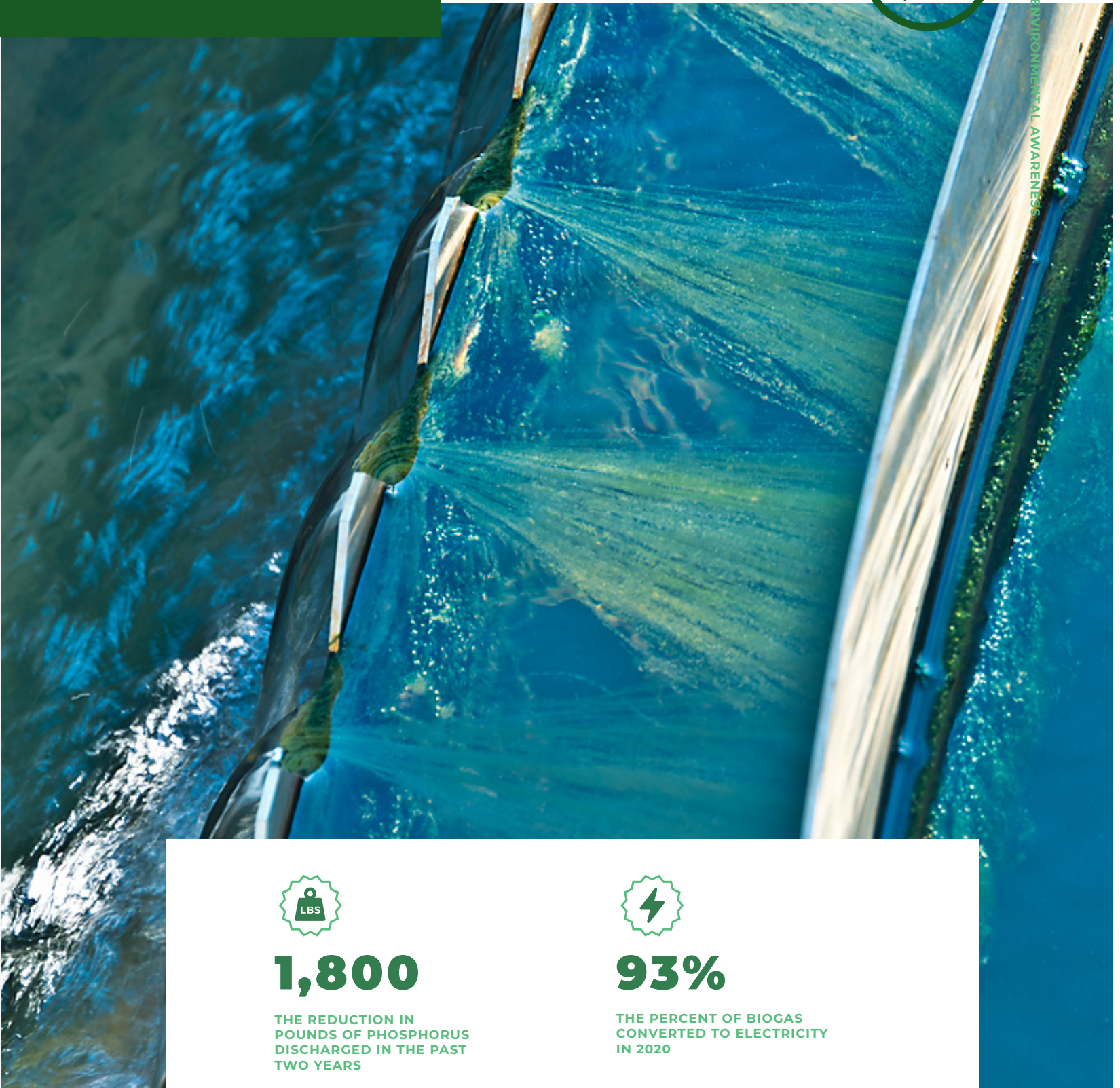
Grande's primary use of water includes process water, equipment/facility cleaning, and utilities to support cheese and whey production within our six production facilities.

Once water is used in the production process and before it can be returned to the environment, we first return the water to levels that meet or exceed regulatory requirements.

In 2019, Grande began a journey to reduce phosphorus levels in our waste water discharge by modifying processes at two of our largest facilities. Phosphorus, a naturally occurring element in milk, is not used in the cheese and whey production process. Most of the phosphorus that is received in milk ends up in the waste water for treatment. Through our processes, we remove over 98% of the phosphorus that enters our waste water plants.

Our efforts to reduce phosphorus extend beyond our plants as well. At our Brownsville facility, we own over 180 acres of farmland around the plant. Through minimal-till farming and crop rotations, farmers who rent our property have reduced phosphorus losses due to runoff during rain events from six pounds per acre per year, to one pound per acre per year. These practices decrease losses due to runoff by nearly half a ton per year.

Finally, at our Juda facility, Grande installed an anaerobic digester which eliminates the need for land application of some of our waste water from our cleaning processes. The digester converts the solids in the cleaning water to methane, which Grande captures and uses to run a biogas engine.



**1,800**

THE REDUCTION IN POUNDS OF PHOSPHORUS DISCHARGED IN THE PAST TWO YEARS



**93%**

THE PERCENT OF BIOGAS CONVERTED TO ELECTRICITY IN 2020



# RESOURCE RECOVERY

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**In 2019, Grande began a continuous improvement journey leveraging zero loss analysis (ZLA) to improve yield across all production facilities.**

The intent of the study was to explore yield opportunities within our manufacturing facilities. The study has been refreshed each year to continually evaluate how to best maximize the productive use of milk components like protein and butterfat in our manufacturing process. This resource recovery aspect of ZLA has the potential to positively impact our sustainability efforts by reducing the raw material resources needed to manufacture increased amounts of our Trademark products for customers.

ZLA is a tool that allows us to see all the opportunity that would be possible in a 'perfect' world. Focusing on resource recovery, the process is quite simple; if we assume that 'perfect' yield is possible, we are able to reveal all our potential losses.



Several team-led projects across the network supported our resource recovery efforts, including:

### JUDA WHEY

**GOAL**

Recapture solids throughout the “make” process.

**APPROACH**

Optimizing and standardizing cleaning times, and utilizing standard work to align best practices across shifts.

**OUTCOME**

Converted 3,500,000 additional pounds of raw material into finished goods annually.

### BROWNSVILLE

**GOAL**

Improve yield throughout the “make” process.

**APPROACH**

Butterfat was recovered by optimizing vat processes where the milk transforms to curds and whey. Additionally, through loss point studies, a significant cheese recovery opportunity was identified.

**OUTCOME**

1,000,000 pounds of potential opportunity. This study will be refreshed periodically as project teams are formed to reduce loss. ■

## MANUFACTURING PROCESSES

# ENERGY

**Since 2019, the Juda anaerobic digester has been supplying electricity to the whey plant from the biogas engine.**

In its first year alone, the engine supplied 11% of the Juda whey plant electrical requirements, enough to supply electricity to 334 homes in Juda and the surrounding region each year.

Another example of our energy conservation practices can be found in our cheesemaking process. The process itself is energy intensive, as it begins with cold milk that needs to be warmed to turn the milk into curd. That process also generates whey that is warm after coming off our cheesemaking process. As a way to conserve energy, Grande uses the heat from the whey to heat the milk. The electricity saved from these processes is equivalent to the electricity used in 140 Wisconsin homes for a year. ■







## GRANDE HOME OFFICE

**Grande's commitment to sustainability is fully reflected throughout the design and operations of our company headquarters, referred to as our Home Office.**

This building has earned LEED Gold Certification due to extensive sustainability efforts involving:

- The irrigation design allows for a highly efficient process, by collecting on-site harvested rainwater, resulting in zero potable water use for landscaping irrigation.
- The building design was optimized to yield energy cost savings of 33% from the baseline design. In addition, Grande implemented enhanced commissioning energy systems, and committed to ongoing measurement and verification to ensure energy savings are realized throughout operations.
- Grande's emphasis on creating a healthy indoor environment displays a strong focus on health and wellness of Associates. For example, 91% of regularly occupied spaces have access to exterior views and the benefit of natural lighting. Additionally, to maintain clean indoor air, low-emitting materials were selected for the interior of the building, walk-off mats are provided at all major entrances, and a "green" cleaning policy was implemented. ■

***The Grande Home Office was recognized with the Leadership Award at the 2019 U.S. Green Building Council Awards Ceremony, in the Innovative Design, New Construction category.***





# THE JOURNEY CONTINUES...

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Social responsibility is an evolving process—Grande navigates this with a balanced approach that allows flexibility yet remains true to our fundamental principles and long-term objectives. Our Strategic Long-Range Planning process ensures that we are continually reviewing, adapting, and measuring the impact and effectiveness of our priorities and their connections back to our sustainability objectives. It requires leadership, engagement, and commitment throughout our entire Company. Beyond our walls it is inclusive of dairy farmers, supply chain partners, and customers.

Our plans for the coming years, as it relates to our Social Responsibility platform include:

**Business Sustainability:** Significant capital investments that support the growing needs of our Customers and new business platforms. These projects will support an innovative and efficient manufacturing environment that meet and exceed the Trademark excellence requirements of our products.

**Associate Excellence Pillar:** Continued investments in the development, well-being, and empowerment of our own people. From the launch of High-Performance Work Teams and an elevated Safety Culture, to development planning and flexible scheduling—we are committed to enhancing and supporting Associates throughout their lifecycle with Grande.

**Community Involvement Pillar:** Continued and enhanced relations with local non-profit agencies that support the current and future quality of life for all. It is our goal to find additional ways that our own Associates can continue to engage and support the communities where they live, work, and play.

**Environmental Pillar:** Through our work with the Innovation Center and the framework of the U.S. Dairy Stewardship Commitment, we develop our own strategic roadmap with a focus on environmental stewardship throughout our network—from the Producer through delivery to our Customers.

We will undoubtedly continue to make an impact on the world around us through these efforts and others, inspiring current and future generations to pursue the “fulfillment of a purpose greater than ourselves.” We look forward to sharing our progress in the future! ■



GRANDE®

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